

Rick Warren

RE: Business Opportunity Rule, R511993

Dear Sir or Madam:

I am writing this letter to voice my concerns and strong oppositions to the proposed Business Opportunity Rule R511993. I believe that as written in its presented form, it could prevent me and/or many others from continuing operating our business as Independent Distributor's and Customer Representative's for the Fuller Brush and Stanley Home Products Companies

If the proposed Business Opportunity Rule is put into effect as it is currently written, I feel that it will force the many of Independent Distributor and Representatives out of the business then the effect will be felt by the companies which in turn could lead to layoffs, plant and companies shut downs,

I have been an Independent Distributor's and Customer Representative for Fuller Brush and Stanley Home Products for more than 16 years. Originally, I started my Direct Sales and Network Marketing because of the products and wanted to earn some additional money. This is the way most of my organization of Independent Distributor's and Customer Representative begin their business, just to earn some additional extra income to help supplement our budgets.

While I support some of the proposed rules disclosures with modification, I am strongly in oppositions to the minimum of 10 prior purchasers nearest to the prospective purchaser as it is currently proposed. While it is a good practice to provide references of satisfied business owners this would make for an administrative nightmare for not only the Fuller Brush and Stanley Home Products, but for us the Independent Distributor's and Customer Representative. As a Independent Distributor and Customer Representative for Fuller Brush and Stanley Home Products I have no exclusive territory and would be required by the current proposed rules to have a list of all the Fuller Brush and Stanley Home Products prior purchasers for the last 3 year. So I could first find out who are the nearest prior purchasers to the new prospective and then disclosure this information to the new prospective purchaser.

This proposed rule would also make for a cost nightmare not only for Fuller Brush and Stanley Home in that these list would have to be updated at least monthly or quarterly, then be provided to each Independent Distributors and Customer Representative in Fuller Brush and Stanley Home Products as I have stated before we do not have an exclusive territory. These list would generally have to be mailed to most of the people in my organization as they do not have the means to get this information any other way.

Many of these new prospective purchaser only want to purchase the Fuller Brush and Stanley Home Products at a discount and/or who wants to earn the extra income to help supplement their family budget. They have no intentions to build the Fuller Brush and Stanley Home Business Opportunity and by placing these unnecessary disclosure requirement, administrative and additional cost on them they will not join the business. Just as with most of my current organization who are of the same type of people as most of the new prospective purchaser they too will drop out.

Another issue that this 10 prior purchaser rule brings in to play, is the fact the most of the business owners in my organization are women, as it is with most Networking Marketing Business. These business owners could be subject to sexual, racial harassment, and other illegal acts. Which could come back on not just the companies but the person who disclosed the information but also the person who introduced the business opportunity to that person.

The current proposed rule also calls for Fuller Brush and Stanley Home Products and each of its Independent Distributor's and Customer Representative's to disclose any information regarding any prior litigation, civil or criminal legal action for misrepresentation, fraud, securities laws violations, unfair or deceptive practices within the last 10 years immediately preceding the date the business opportunity is offered. These disclosures are to be on anyone that is affiliated with Fuller Brush, Stanley Home Products and/or its Independent Distributors and Customer Representatives. Regardless of what the outcome was, you would still have to disclose it. This is highly unfair to the person who was found innocent of the charges, let alone to the person who was falsely charged.

Again the administrative cost on this part of the proposed rule forces many of my current organization out of the business plus many new prospective purchasers will not disclose this type of information as Independent Distributors and Customer Representatives. Also the current proposed Business Opportunity Rule requires that a prospective purchaser must wait seven days after they have been presented with all the disclosure and the business information. I feel this proposed seven-day waiting period is totally unnecessary, because Fuller Brush and Stanley Home Products does have a buyback policy that follows the current guidelines and ruling already set. This proposed rule again would cause an administrative nightmare in that I must keep a very detailed record of when a prospective purchaser was spoken to, what was given to them and when. Then I will have to send such records on to Fuller Brush and Stanley Home Products.

Sincerely,

Rick Warren

Fuller Brush - Stanley Home Products  
Independent Distributor and Customer Representative  
A founding member of The Distributor Rights Association